

February 26, 2004

Mary L. Cottrell, Secretary  
Massachusetts Department of Telecommunications and Energy  
One South Station, 2nd Floor  
Boston, MA 02110

Re: *Investigation by the Department of Telecommunications and Energy on its Own Motion, pursuant to G.L. c. 164 §§ 1A(a), 1B(d), 94; and 220 C.M.R. § 11.04, into the Costs that Should Be Included in Default Service Rates for Massachusetts Electric Company and Nantucket Electric Company, D.T.E. 03-88E.*

Dear Secretary Cottrell:

Enclosed for filing please find the Attorney General's First Set of Document and Information Requests to Massachusetts Electric Company and Nantucket Electric Company (together, "the Company"). Thank you for your attention to this matter.

Sincerely,

Judith Laster  
Assistant Attorney General

cc: John J. Geary, Hearing Officer  
William H. Stevens, Hearing Officer  
Amy G. Rabinowitz, Esq.  
[dte.efiling@state.ma.us](mailto:dte.efiling@state.ma.us)

**THE COMMONWEALTH OF MASSACHUSETTS**

**DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

Investigation by the Department of Telecommunications and Energy	)	
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and Nantucket Electric Company.	)	
	)	
	)	

**ATTORNEY GENERAL'S  
FIRST SET OF DOCUMENT AND INFORMATION REQUESTS**

**INSTRUCTIONS**

1. These Document and Information Requests call for all information, including information contained in documents, which relates to the subject matter of the requests and which is known or available to Massachusetts Electric Company and Nantucket Electric Company (“together, “the Company”) or to any individual or entity sponsoring testimony or retained by the Company to provide information, advice, testimony or other services in connection with this proceeding.
2. Where a Request has a number of separate subdivisions or related parts or portions, a complete response is required to each such subdivision, part, or portion. Any objection to a Request should clearly indicate the subdivision, part, or portion of the Request to which it is directed.
3. If information requested is not available in the exact form requested, provide such information or documents as are available that best respond to the Request.
4. These requests are continuing in nature and require supplemental responses when further or different information with respect to the same is obtained.

5. Each response should be furnished on a separate page headed by the individual Request being answered. Individual responses of more than one page should be stapled or bound and each page consecutively numbered.
6. Each Document and Information Request to "Please provide all documents..." or similar phrases includes a request to "identify" all such documents. "Identify" means to state the nature of the document, the date on which it was prepared, the subject matter and the titles and the names and positions of each person who participated in the preparation of the document, the addressee and the custodian of the documents. To the extent that a document is self-identifying, it need not be separately identified.
7. For each document produced or identified in a response which is computer generated, state separately (a) what types of data, files, or tapes are included in the input and the source thereof, (b) the form of the data which constitutes machine input (e.g., punch cards, tapes), (c) a description of the recordation system employed (including descriptions, flow charts, etc.), and (d) the identity of the person who was in charge of the collection of input materials, the processing of input materials, the data bases utilized, and the programming to obtain the output.
8. If a Document and Information Request can be answered in whole or part by reference to the response to another Request served in this proceeding, it is sufficient to so indicate by specifying the other Request by participant and number, by specifying the parts of the other response which are responsive, and by specifying whether the response to the other Request is a full or partial response to the instant Request. If it constitutes a partial response, the balance of the instant Request must be answered.
9. If the Company cannot answer a Request in full, after exercising due diligence to secure the information necessary to do so, state the answer to the extent possible, state why the Company cannot answer the Request in full, and state what information or knowledge is in the Company's possession concerning the unanswered portions.
10. If, in answering any of these Document and Information requests, you feel that any Request or definition or instruction applicable thereto is ambiguous, set forth the language you feel is ambiguous and the interpretation you are using responding to the Request.
11. If a document requested is no longer in existence, identify the document, and describe in detail the reasons the document is unavailable.
12. Provide copies of all requested documents. A response which does not provide the Attorney General with the responsive documents, and requests the Attorney General to inspect documents at any location is not responsive.
13. If you refuse to respond to any Document and Information Request by reason of a claim of privilege, or for any other reason, state in writing the type of privilege claimed and the facts and circumstances you rely upon to support the claim of privilege or the reason for

refusing to respond. With respect to requests for documents to which you refuse to respond, identify each such document.

14. Each request for information includes a request for all documentation which supports the response provided.
15. Provide two copies of each response to the Attorney General.
16. Unless the Request specifically provides otherwise, the term "Company" refers to MECo and Nantucket's intrastate operations and includes all witnesses, representatives, employees, and legal counsel.
17. Please furnish each response on a separate sheet of paper, beginning with a restatement of the question.
18. Please provide all responses to requests within the time specified by the Hearing Officer.

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

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	)	
	)	

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon each person listed below.

Dated at Boston this 26th day of February 2004.

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Judith Laster  
Assistant Attorney General  
Utilities Division  
Office of the Attorney General  
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Boston, MA 02114  
(617) 727-2200 x3431

John J. Geary, Hearing Officer  
William H. Stevens, Hearing Officer  
Amy G. Rabinowitz, Esq.  
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**AG-MEC0-1-1** Please provide the bad debt reserve balance as of 1/1/2001 as well as the following monthly bad debt data for the Company for the period from January, 2001 through December, 2003. Provide the data by rate class and by service type if available.

- Please supply the data in an Excel spreadsheet file as well as in a paper version.

- A. Monthly billed revenue by rate class (R1, R2 etc) by energy supply

(default, standard offer, competitive).

- B. Monthly kwh by rate class (R1, R2 etc) by energy supply (default, standard offer, competitive).

Please supply the data in an Excel spreadsheet file as well as in a paper version.

**AG-MEC0-1-3** Please provide the workpapers, backup, and calculations that support each overhead factor used in the filing. Are these factors used in other regulatory cases? Please supply all recent (since 2002) Company testimony and workpapers with supporting backup including timesheets that use overhead factors. Explain their use in Company cost accounting and any other applications where they are used. Please supply the data in an Excel spreadsheet file as well as in a paper version.

**AG-MEC0-1-4** Please fill in the matrix provided below for each month in 2003. Data should be consistent with the Department's Order in D.T.E. 02-24/25. Provide the workpapers and backup that support each item, including supplier invoices. Please supply the data in an Excel spreadsheet file as shown below as well as in a paper version.

	Item	Source	Jan 03	Feb 03	.....	Dec 03
1	Default Service Purchased Power					
	Supplier Costs					
2	Number of Days Lag/365					
3	Working Capital Requirement	L1 X L2				
4	Cost of Equity	Cost of Equity				
5	Cost of Debt	Cost of Debt				
6	Effective Tax Rate					
7	Tax Adjusted Cost of Capital	$L5 * (L4 / (1-L6))$				
8	Cost of Working Capital	$L3 * L7$				

**AG-MEC0-1-5** Please provide amounts, backup calculations, invoices and workpapers for all Alternative Compliance payments made to date. Identify Standard Offer and Default Service separately.

**AG-MEC0-1-6** Please refer to Exh. TMB-4, Section 1. Explain the difference between the net charge off in the total column in line 1 and the net charge off in the same column on line 3. Please state the source for each number as well as explain why the data should be different.